



**USAID | MACEDONIA**  
FROM THE AMERICAN PEOPLE



**FOR IMMEDIATE RELEASE**

July 18, 2008

Press office: +389 (0)2 308-0446

Cell phone: +389 (0)70 367 547

Email: [bvelickovska@usaid.gov](mailto:bvelickovska@usaid.gov)

## PRESS RELEASE

### **USAID Helps the Municipality of Karpos to Obtain First Private Municipal Loan**

Today, July 18<sup>th</sup>, 2008, the Municipality of Karpos and UNI Bank signed a loan agreement in the amount of \$635,000, 50 percent of which will be guaranteed by the USAID Development Credit Authority (DCA). This DCA facility provides guarantees for the funding of energy-efficient infrastructure projects in municipalities.

Through use of this municipal credit, the Municipality of Karpos will complete the construction of the primary school "Jan Amos Komenski." Construction will include installation of energy-efficient heating, electricity and lighting, as well as roof construction, which will significantly reduce operation costs.

"This is the first municipal loan Macedonia's national government has approved for formal municipal financing by private sector financial institutions. This loan will have a positive influence on community development and can serve as a model for other municipalities," said Deputy Chief of Mission Thomas J. Navratil at the signing of the loan agreement. "Successful decentralization of government authority, a vital component of the Ohrid Framework Agreement, is a priority that the U.S. Government is proud to support as part of our partnership with the Republic of Macedonia."

USAID's Macedonia Local Government Activity, which assisted the Municipality of Karpos in qualifying for this loan, helps Macedonian municipalities by supporting the development of the intergovernmental finance system; improving municipal financial management capacities; strengthening the creditworthiness of municipalities; improving tax and fee collection; helping municipalities stimulate local economic development; and increasing local government transparency and accountability.

#### **NOTE TO EDITORS:**

The American people, through USAID, have invested nearly \$500 million in Macedonia since 1993. USAID is implementing projects that create jobs, reduce corruption, and prepare Macedonian students for the workforce. These initiatives improve the quality of life and support Macedonia's transition to a stable and prosperous democracy. USAID provides economic and humanitarian assistance in more than 100 countries. For more information please visit <http://macedonia.usaid.gov>.